

1 Timothy M. Muscat (State Bar No. 148944)
2 Susan Saylor (State Bar No. 154592)
3 Bruce W. Carter (State Bar No. 223906)
4 DEPARTMENT OF FAIR EMPLOYMENT AND
5 HOUSING
6 1515 Clay Street, Suite 701
7 Oakland, CA 94612-1460
8 Telephone: (510) 873-6457
9 Facsimile: (510) 873-0840

6 Attorneys for the Department of Fair Employment
and Housing

7 Robert A. Naeve (State Bar No. 106095)
8 Ruth M. Holt (State Bar No. 223152)
9 JONES DAY
10 3161 Michelson Drive, Suite 800
11 Irvine, CA 92612-4408
12 Tel: (949) 851-3939
13 Fax: (949) 553-7539

11 Attorneys for Defendant Verizon Services Corporation,
12 dba Verizon California, Inc.

13 **SUPERIOR COURT OF CALIFORNIA**

14 **COUNTY OF LOS ANGELES**

15 THE DEPARTMENT OF FAIR
16 EMPLOYMENT AND HOUSING, an
17 agency of the State of California,

18 Plaintiff,

19 vs.

20 VERIZON SERVICES CORPORATION, a
21 Delaware Corporation, dba VERIZON
22 CALIFORNIA, INC.,

23 Defendants.

24 ALICIA DENISE SEALES, ALMA
25 ARANDA, OFELIA CABANA FANOL,
26 HEATHER DOWL-LEE, VERONICA
27 BARCELO, ERICA DIAZ, KIMBERLY
28 GONZALEZ, CYNTHIA MARTINEZ,
TANYA DENNIS, KATRINA GRANT, and
a class of similarly situated others,

Real Parties in Interest.

ORIGINAL FILED

DEC 14 2010

LOS ANGELES
SUPERIOR COURT

Case No. BC444066

~~[proposed]~~ ORDER GRANTING
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT

1 The Joint Motion for Preliminary Approval of Class Action Settlement (“Joint Motion”),
2 filed jointly by the California Department of Fair Employment and Housing (“DFEH”) and
3 Verizon California, Inc.¹ (“Verizon”), came regularly for hearing before this Court on November
4 23, 2010. Having considered the documents and evidence in support of the Joint Motion, the
5 Court hereby makes a preliminary finding that the proposed class action settlement is fair,
6 reasonable, adequate and in the best interests of the proposed class. Good cause appearing
7 therefore, the Court GRANTS the Joint Motion and ORDERS as follows:

- 8 i. A class of individuals that shall include “all current and former Verizon
9 employees who applied to take CFRA-protected leaves of absence from
10 June 18, 2007 to November 23, 2010” (the “CFRA Class”) is hereby
11 preliminarily approved for settlement purposes only.
- 12 ii. The DFEH is hereby appointed as counsel on behalf of the CFRA Class in
13 the matter of *The Department of Fair Employment and Housing vs. Verizon*
14 *Services Corporation dba Verizon California, Inc.*, Case No. BC 444066
15 (the “CFRA Action”) for purposes of settlement only.
- 16 iii. The terms of the settlement agreement reached by the DFEH, Real Parties-
17 in-Interest Alma Aranda, Ofelia Cabana Fanol, Heather Dowl-Lee,
18 Veronica Barcelo, Erica Diaz, Kimberly Gonzalez, Cynthia Martinez,
19 Tanya Dennis and Katrina Grant, and Verizon as set forth in the Settlement
20 and Release of All Claims Agreement (“Settlement Agreement”) attached
21 as Exhibit 1 to the Declaration of Robert A. Naeve In Support Of Joint
22 Motion for Preliminary Approval of Class Action Settlement, are hereby
23 preliminarily approved.
- 24 iv. Alma Aranda, Ofelia Cabana Fanol, Heather Dowl-Lee, Veronica Barcelo,
25 Erica Diaz, Kimberly Gonzalez, Cynthia Martinez, Tanya Dennis and
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28 ¹ Verizon California, Inc. was erroneously named in the Complaint as Verizon Services
Corporation dba Verizon California, Inc.

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Katrina Grant are hereby appointed as representatives of the CFRA Class (“CFRA Class Representatives”) for purposes of settlement only.

v. Simpluris, Inc. is hereby approved and appointed as the claims administrator responsible for administering the notice and claims procedures required by the Settlement Agreement (“Claims Administrator”).

vi. The form of Notice of Class Action Settlement in the CFRA Action (“Notice”) attached as Exhibit 1 hereto is approved.

vii. The CFRA Class Claim And Release Form (“Claim Form”), and the CFRA Class Opt-Out Form (“Opt-Out Form”), attached as Exhibit “A” to the Settlement Agreement, are hereby approved.

viii. The Court hereby authorizes the mailing of the Notice of Class Action Settlement and accompanying forms to the CFRA Class Members.

ix. The Notice and accompanying forms shall be mailed in an envelope on which the following legend is printed: “Important Notice of Class Action Settlement Enclosed, Read The Enclosed Notice To Determine If You May Qualify For A Settlement Payment,” as depicted on the exemplar attached as Exhibit 2 hereto.

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1 Within a reasonable time, not to exceed 45 days, following completion of the claims
2 procedures outlined in Sections 5 and 6 of the Settlement Agreement, the DFEH and Verizon
3 shall jointly move the Court for final approval of the Settlement Agreement, which will set the
4 date of the Final Settlement Approval Hearing. Notice of the date, time and location of the Final
5 Settlement Approval Hearing shall be mailed to CFRA Class Members at least fourteen (14) days
6 prior to the hearing date.

7 **IT IS SO ORDERED.**

8 DEC 14 2010
9 Dated: _____, 2010

ANTHONY J. MOHR

Honorable Anthony J. Mohr
SUPERIOR COURT JUDGE

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

If you believe Verizon improperly denied your request for family or medical care leave, you may be entitled to a monetary payment as described by this Notice of Class Action Settlement (“Notice”). You have received this Notice because Verizon’s records indicate that you may be a class member whose rights are affected by a proposed settlement that was negotiated with Verizon by the California Department of Fair Employment and Housing (“DFEH”) in an action entitled, *Dep’t of Fair Employment and Hous. v. Verizon Serv. Corp., a Delaware Corp., dba Verizon California, Inc.*, Los Angeles Superior Court Case No. BC444066 (the “CFRA Action”). Class members include all persons employed in California by Verizon Services Corporation, Verizon California, Inc. or the “Verizon Affiliates,” which are identified in the footnote below¹ (collectively, “Verizon”), and who applied to take family and medical care leaves protected by the California Family Rights Act (“CFRA”) from June 18, 2007 through November 23, 2010 (the “Class Period”).

SUMMARY OF THE LITIGATION AND TERMS OF THE SETTLEMENT

The DFEH alleges in the CFRA Action that Verizon engaged in unlawful employment practices in violation of the CFRA with respect to the class of all current and former Verizon employees who applied to take CFRA-protected leaves of absence during the Class Period. Individual employees who are members of this class are referred to in this Notice as “Class Members.” On or about September 2, 2010, the DFEH and Verizon agreed to settle any and all claims arising from or relating to the CFRA Action on a no-fault basis and entered into a written Settlement Agreement (“Agreement”). The Los Angeles County Superior Court (the “Court”) preliminarily approved the Agreement on November 23, 2010, and ordered this Notice to be sent to all Class Members.²

1. **Settlement Class.** All Class Members – that is, all current and former Verizon employees who applied to take CFRA-protected leaves of absence from June 18, 2007 through November 23, 2010 – will be part of the settlement class. However, current and former Verizon employees who have already executed written settlement agreements containing a release of CFRA claims shall not be entitled to submit claims or receive settlement payments.

2. **Settlement Payments.** The Agreement provides that Verizon will pay up to a maximum total amount of \$6,011,190.00 to fully and finally resolve all claims in the CFRA Action (referred to as the “Maximum Settlement Amount”). The Agreement allows Class Members who submit proper, valid and timely forms (referred to as “Claim Forms”) by the claims deadline to apply for a settlement payment to be paid from the Maximum Settlement Amount. Claims asserted by Class Members who submit proper, valid, and timely Claim Forms (“Claimants”) will be evaluated by the DFEH on a case-by-case basis to determine whether the Claimant is entitled to participate in the settlement at one of three levels pursuant to the following formula:

- a. **Tier 1:** Claimants whose applications for CFRA leave the DFEH determines were improperly denied, but who were not disciplined or terminated for CFRA-related absences receive a maximum payment of \$3,000;
- b. **Tier 2:** Claimants whom the DFEH determines were disciplined, but not terminated for using or requesting CFRA leave will receive a maximum payment of \$6,000.
- c. **Tier 3:** Claimants whom the DFEH determines were terminated, or who resigned in lieu of being terminated for excessive absences as a result of their use of CFRA leave, will receive \$25,000.00.

Under no circumstances will a Class Member be entitled to payment at more than one Tier, or to multiple payments at a single Tier. The DFEH has the right to communicate with Class Members who submit proper, valid

¹ The Verizon Affiliates include IDEARC Media Sales West Inc., Verizon Corporate Resources Group LLC, Verizon Corporate Services Corp., Verizon Corporate Services Group Inc., Verizon Credit Inc., Verizon Data Services Inc., Verizon Data Services LLC, Verizon Enterprise Delivery LLC, Verizon Logistics, Verizon North Inc., Verizon Services Operations Inc., Verizon Services Organization Inc., Verizon Southwest, Verizon West Coast Inc., Contel of New York, Verizon North Retainco Co. and Verizon Online LLC.

² The principal terms of the Agreement are summarized in this Notice. If you would like a complete copy of the Agreement, please review the Court file or contact A. Seldin, SIU Administrator, DFEH, 2218 Kausen Drive, Ste. 100, Elk Grove, CA 95758.

and timely Claim Forms to assess the appropriate level of damages and to increase individual damage awards by as much as 20% as the DFEH determines appropriate, so long as the total amount of all awards does not under any circumstance exceed the Maximum Settlement Amount, and so long as the amount of each award is fair and reasonable. The DFEH has the further right to adjust and prorate the amount of all individual damage awards made pursuant to the terms of the Agreement in the event that the total value of all payments exceeds the Maximum Settlement Amount. Verizon retains the discretion to challenge certain awards to the Claimants.

3. Class Representative Enhancements. The DFEH will consider making enhanced settlement payments from the Maximum Settlement Amount to 9 current or former Verizon employees who acted as class representatives in this action.

4. Taxes. All settlement payments shall be reported to federal and state taxing authorities under the Claimant's name and social security number. Class Members may be required to provide Verizon with a completed and signed Form W-9 as a condition of receiving a settlement payment. Tier 1 and Tier 2 payments shall be treated as compensation for non-wage claims and paid without withholding of taxes. All other settlement payments shall be apportioned for tax purposes as follows: 50% of each such payment shall be treated as compensation for non-wage claims and paid without withholding of taxes; the remaining 50% of each such payment shall be treated as wages and paid net of all applicable employment taxes. Claimants shall be solely responsible for all taxes due on payments made pursuant to the Agreement and shall indemnify, defend and hold Verizon harmless from and against any and all taxes, interest, penalties, attorney's fees and other costs imposed on Verizon as a result of any failure to timely pay such taxes. Verizon shall pay the employer's share of any employment taxes from the Maximum Settlement Amount.

5. Release. The Agreement provides that all of the claims asserted in the CFRA Action, including those asserted on behalf of all Class Members, will be dismissed with prejudice at the Final Approval Hearing (described below). The Agreement also provides that Class Members must fully release and discharge Verizon and their respective subsidiaries, divisions, affiliated corporations, affiliated partnerships, parents, trustees, directors, officers, shareholders, partners, agents, employees, representatives, consultants, insurance carriers, attorneys, heirs, assigns, executors and administrators, predecessors and successors, past and present (collectively the "Verizon Releasees") both individually and collectively, from any and all rights, claims, demands, liabilities, actions and causes of action (whether in law or in equity, or whether contractual, common law, statutory, federal, state or otherwise), suits, grievances, damages, losses, attorneys' fees, costs and expenses, of whatever nature whatsoever, known or unknown, fixed or contingent, suspected or unsuspected, that they or their Affiliates now have, or may ever have, against Verizon or any of the Verizon Releasees, that occurred during the Class Period and that arise out of or in any way relate to: (i) the claims and allegations asserted in the CFRA Action; (ii) any claim for disability discrimination arising from or relating to the claims alleged in the CFRA Action; and (iii) any claim for failure to engage in the interactive process or to provide reasonable accommodation arising from or relating to the claims alleged in the CFRA Action. This release, and the related orders of the Court, will bar Class Members from instituting or prosecuting any other action asserting or relating to any of these released claims. Excluded from this release are any claims which cannot be waived by law, including but not limited to the right to file a charge with or participate in an investigation conducted by the Equal Employment Opportunity Commission ("EEOC"). Claimants are, however, waiving their right to any monetary recovery or relief should the EEOC or any other agency pursue any claims on behalf of individual Claimants that arise out of or relate to the claims and allegations released in the CFRA Action. Claimants whom the DFEH determines are entitled to a Tier 3 settlement payment will be required to execute individual settlement agreements containing a release of all claims they now have or ever had against Verizon as a condition of receiving the Tier 3 settlement payments.

YOUR RIGHTS IN CONNECTION WITH THE SETTLEMENT AGREEMENT

If you are a Class Member, you may:

1. **Participate In The Settlement By Doing All Of The Following:**

- a. Complete, sign, and date the Claim Form under penalty of perjury; and
- b. Either: (i) mail the Claim Form via certified mail so that it is postmarked for delivery to the Claims Administrator at the address listed below by no later than [date]; or (ii) personally deliver the Claim Form to the Claims Administrator at the address listed below by no later than 5:00 p.m. on [date].

If you choose to participate in the settlement, you will be bound by all of the terms of the Agreement, including a full release of claims, which will prevent you from separately suing Verizon and any other related persons or entities for the claims stated in the CFRA Action and released by the Agreement.

2. **Opt Out Of The Settlement By Doing All Of The Following:**

- a. Complete, sign, and date the Opt-Out Form under penalty of perjury; and
- b. Either: (i) mail the Opt-Out Form via certified mail so that it is postmarked for delivery to the Claims Administrator at the address listed below by no later than [date]; or (ii) personally deliver the Opt-Out Form to the Claims Administrator at the address listed below by no later than 5:00 p.m. on [date].

Any person who timely completes and submits an Opt-Out Form shall no longer be a Class Member and shall be barred from participating in any portion of the settlement. Persons who choose to opt out from this settlement may, at their own expense, pursue claims against Verizon. However, there is a deadline to pursue such claims known as the “statute of limitations.”

3. **Claims Administrator.** The Claims Administrator can be contacted at: Simpluris, Inc., Attention: Verizon Claims Administrator, P.O. Box 26170, Santa Ana, CA 92626, Toll Free: [TBD], Tel: [TBD].

4. **Objections To The Settlement:**

a. If you wish to object to the settlement negotiated by the DFEH, you may submit written objections to the Claims Administrator on or before the close of business on [date]. The written objections should refer to this Action by its name and case number. The Claims Administrator will provide all timely-received written objections to the Los Angeles Superior Court judge assigned to evaluate the fairness of the settlement negotiated by the DFEH and Verizon. Persons may address the Court at the time of the Final Approval Hearing only if their written objections have been submitted to the Claims Administrator by the date noted above.

b. If you submit an objection, you may appear, at your own expense, personally or through an attorney, at the Final Approval Hearing to explain why you object to the Agreement.

c. Objectors do not forfeit the right to participate in the settlement. If you object to the Agreement, you may submit a Claim Form if you also wish to participate in the settlement. If you object to the Agreement, but do not submit a Claim or Opt-Out Form, you will remain a Class Member. Accordingly, if the Court approves the Agreement, you will be bound by the terms of the Agreement in the same way as the Class Members who did not object.

FINAL APPROVAL HEARING

The Court will schedule a final approval hearing after the DFEH has completed its assessment of all claims submitted by Class Members, as described above. The Claims Administrator will serve written notice to Class Members of the date, time and location of the Final Approval Hearing at least 14 days in advance of the hearing.

If the Agreement is given final approval, and there is no appeal, all Class Members who do not complete and timely submit a Claim Form or Opt-Out Form shall not be entitled to receive a settlement payment, shall be bound by the terms of the Agreement, and shall be precluded from asserting any claims against Verizon or its affiliates for injunctive or monetary relief occurring during the Class Period that arise out of or in any way relate to: (i) the claims and allegations asserted in the CFRA Action; (ii) any claim for disability discrimination arising from or relating to the claims alleged in the CFRA Action; and (iii) any claim for failure to engage in the interactive process or to provide reasonable accommodation arising from or relating to the claims alleged in the CFRA Action.

If the Court grants final approval to the settlement, and there is no appeal, all Class Members who submitted a valid and timely Claim Form will receive settlement payments once the judgment approving this settlement becomes final. If the Court does not approve the Agreement, then this case will be reset for class certification and trial.

DO NOT CONTACT THE COURT WITH ANY QUESTIONS.

EXHIBIT 2



Class Action Settlement Administration

No. 10 Envelope Front

Verizon Claims Administrator
c/o Simpluris
P.O. Box 26170
Santa Ana, CA 92799-9834



Important Notice of Class Action Settlement
*Read The Enclosed Notice To Determine If You May
Qualify For A Settlement Payment.*

No. 10 Envelope Back

